In the Mid-Term Review of annual Policy Statement (dated October 30, 2007), RBI has observed that in view of the rise in the number of litigations against banks for engaging recovery agents in the recent past, it is felt that the adverse publicity could result in serious reputational risk for the banking sector as a whole. RBI has urged banks to follow prescribed guidelines while engaging recovery agents and has clarified that complaints received regarding abusive practices followed by a bank's recovery agent would invite serious supervisory disapproval. RBI would consider imposing a temporary ban (or even a permanent ban in case of persistent abusive practices), for engaging recovery agents, on those banks where strictures have been passed/penalities have been imposed by a High Court/Supreme Court or against its Directors/Officers with regard to the abusive practices followed by their recovery agents.

RBI has also placed on its website, on 30th November, 2007, draft Guidelines for Banks engaging Recovery Agents for feed back. Based on the feedback received from banks/ individuals/organisations, the guidelines have been revised and a second draft has been issued on 25th March, 2008 for feedback. These guidelines cover various operational issues concerning engagement of recovery agents by the banks, methods to be followed by them for recovery of dues, training for the recovery agents, procedure for taking possession of property mortgaged/hypothecated to the banks, etc. The banks have also been advised to strictly abide by the codes pertaining to collection of dues.

Dividend declared by PSUs

†2420. DR. MURLI MANOHAR JOSHI: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that the industrial institutions working in public sector in the country have declared a dividend worth Rs. 21,574 crores for their share holders upto the end of December, 2007;

(b) if so, the details in this regard; and

(c) the share of dividend of institutions working in petroleum and financial sectors out of this?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) and (b) As per Public Enterprises Survey 2006-07, which was laid in Parliament on 28.2.2008, 106 Central Public Sector Enterprises (CPSEs) taken together declared dividend worth Rs. 26805 crore during 2006-07. The enterprises wise details are given in Statement No. 4 of Volume 1 of Public Enterprises Survey 2006-07.

(c) The share of dividend declared by CPSEs working in Petroleum (including exploration/ crude oil) and Financial Services sectors works out to 44.93% and 3.11% respectively of the total dividend declared by CPSEs, during 2006-07.

Functioning of PSEs in Andhra Pradesh

2421. SHRI C. RAMACHANDRAIAH: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Ministry has taken any initiative to declare greater autonomy to the Public Sector Enterprises (PSEs) and also the professionalisation of their Boards;

† Original notice of the question was received in Hindi.